
STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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January 17, 2008

The Honorable Carol McDaniel
LaPorte County Assessor
555 Michigan Avenue, Suite 204
LaPorte, IN 46350

Mr. Shaw R. Friedman
Friedman & Associates P.C.
705 Lincolnway
LaPorte, IN 46350

Mr. Thomas M. Atherton
Bose McKinney & Evans, LLP
135 North Pennsylvania Street
Indianapolis, IN 46204

Dear Ms. McDaniel and Gentlemen:

This letter is to provide an update on the progress of the Department of Local Government Finance's ("Department") review of the 2006-pay-2007 assessments in LaPorte County. This letter is also to notify Mr. Atherton that the Department needs additional information from his client, William H. Wendt, to properly complete its analysis, and to inform LaPorte County that its December 2007 (2006-pay-2007) tax billing data is still non-compliant as determined by the Operations Division of the Department and the Legislative Services Agency (LSA).

As I notified all parties on December 21, 2007, the Department intends to compare the results from LaPorte County's March 2007 (2006-pay-2007) ratio study with a ratio study the Department will create from the December 2007 (2006-pay-2007) tax billing data submitted by the county. Second, the Department intends to compare the gross assessed valuations for specific parcels that appear in the county's March 2007 (2006-pay-2007) ratio study, the October 2007 Denne ratio study, and the county's December 2007 (2006-pay-2007) tax billing data.

The Department has an analyst within the Assessment Division assigned to analyze and compare the county's March 2007 (2006-pay-2007) ratio study with the data provided by Mr. Denne on December 27, 2007. This analyst is currently conducting this analysis and review. However, it has become apparent that more information is needed about the Denne study.

The Honorable Carol McDaniel
Mr. Shaw R. Friedman
Mr. Thomas M. Atherton
January 17, 2008
Page 2 of 2

Specifically, the Department needs the actual ratio study created by Mr. Denne. As stated above, Mr. Denne provided several data files to the Department on December 27, 2007. At the time the Department received the files, the Department thought it had all the information it needed to complete the intended analysis described above. However, as the review of the December 27, 2007 data progressed, it became clear that more information was needed about the Denne study.

Specifically, the Department needs the sales and assessed value information and the manner in which Mr. Denne computed the ratios in his study. The Department needs the worksheet that contains the details of how the coefficient of dispersion (COD), price-related differential (PRD), and median were computed by Mr. Denne. Currently, the Department only has a summary sheet of Mr. Denne's conclusions. This information is needed for the Assessment Division to be able to compare the Denne ratios with the county's ratios. The Department must have this material provided to it by Mr. Wendt on or before **January 24, 2008**.

Additionally, as of the date of this letter, the county's December 2007 (2006-pay-2007) tax billing data is still non-compliant as determined by LSA and the Operations Division of the Department. As a result of this non-compliance, the Department is unable to compare the gross assessed valuations for specific parcels that appear in the county's March 2007 (2006-pay-2007) ratio study, the October 2007 Denne ratio study, and the county's December 2007 (2006-pay-2007) tax billing data, or create a ratio study from the December 2007 (2006-pay-2007) tax billing data. The Department implores county officials, particularly the County Auditor, to keep in contact with the analysts from the Operations Division of the Department so that the reasons for the non-compliance may be corrected as soon as possible.

Once the requested information is received, it is the Department's intention to complete its analysis in a manner that is both timely and thorough. It is the Department's goal to ensure uniform and equitable property assessments for the property taxpayers of LaPorte County.

If you have other questions or concerns, please feel free to contact the Department's General Counsel, Timothy J. Rushenberg, at (317) 233-6770 or trushenberg@dlgf.in.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Cheryl A. W. Musgrave", with a long horizontal flourish extending to the right.

Cheryl A. W. Musgrave
Commissioner